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ABSTRACT

Canada's first constitution gave the provinces and territories the responsibility for education. Training for employment was interpreted as a shared responsibility between the federal and provincial governments. In 1960, with the passage of the Technical and Vocational Training Act, the federal government assumed a major role in occupational training. The Adult Occupational Training Act of 1967 and the National Training Act of 1982 extended the control of the federal government with respect to adult occupational training. With introduction of the Canadian Jobs Strategy in 1985, the federal government reduced support of provincial educational institutions in favor of the private and voluntary sectors, achieved increased control over the delivery agents, and reduced its commitment to and reliance on provincial adult education systems. The historical conflict between the two levels of government improved somewhat with the signing of the 1991 Agreements on Labor Force Development between Canada and the provinces. These agreements specified financing arrangements and roles and responsibilities of the two levels of government. New initiatives such as the Canadian Labor Force Development Board and the Constitutional Document, "Shaping Canada's Future Together," pointed to a long-awaited "master plan" that could resolve much of the conflicting role of the two players. (35 end notes) (YLB)

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WHOSE RESPONSIBILITY?: CONFLICTING FEDERAL/PROVINCIAL LEGISLATION GOVERNING THE TRAINING OF ADULTS IN CANADA

1. INTRODUCTION

2. HISTORICAL OVERVIEW

3. CANADA'S MAJOR OCCUPATIONAL TRAINING ACTS- 1960-1991

4. LEGISLATION AFFECTING ADULT OCCUPATIONAL TRAINING IN CANADA

5. RELATIONSHIP OF FEDERAL LEGISLATION TO FEDERAL/PROVINCIAL TRAINING AGREEMENTS

6. ANALYSIS OF THE 1989 LABOUR FORCE DEVELOPMENT STRATEGY ON THE 1991 AGREEMENT ON LABOUR FORCE DEVELOPMENT WITH THE PROVINCES.

7. CONCLUSION

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ABSTRACT

WHOSE RESPONSIBILITY? CONFLICTING FEDERAL/PROVINCIAL LEGISLATION GOVERNING THE TRAINING OF ADULTS IN CANADA

This paper examines the Federal Legislation governing adult occupational training in Canada, 1960-1991. The relationship of Federal Legislation on training, to the Federal/Provincial Training Agreements is developed, with particular attention paid to the Federal Labour Force Development Strategy (1989) and the Agreements on Labour Force Development with the Provinces (1991).

The historical conflict between the two levels of government in areas such as jurisdictional responsibility, competing and overlapping programs, funding disputes and ambiguity of roles has improved somewhat, with the signing of the 1991 Agreements on Labour Force Development between Canada and the Provinces.

New initiatives such as the Canadian Labour Force Development Board and the Constitutional Document "Shaping Canada's Future Together", point to a long awaited "master plan" that could resolve much of the conflicting role of the two players and answer the ongoing question of who's responsible for occupational training/labour market programs for adults in Canada.

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WHOSE RESPONSIBILITY?: CONFLICTING FEDERAL/PROVINCIAL LEGISLATION GOVERNING THE TRAINING OF ADULTS IN CANADA

A HISTORICAL OVERVIEW

Occupational Training in Canada is the product of evolution. Its precise evolution is difficult to determine; however, reference to the provision of occupational training is found in selected early histories of education in Canada (1)

Canada's first constitution, the British North American Act (B.N.A.) of 1867, as well as the Constitution Act of 1867, gave the provinces and territories the responsibility for education. Training for employment has, however, been interpreted as a shared responsibility, between the federal and provincial governments, growing out of the federal role in promoting overall economic wellbeing in the economy.(2)

The first vocational training act in Canada was the Agricultural Instruction Act of 1913. Other noted acts prior to 1960 were: the Technical Education Act in 1919; the Unemployment and Agricultural Assistance Act of 1937; and the Vocational Training Act for Veterans and the Unemployed in 1942. These Acts were legislated to enable the training of the workforce in general, as well as specific groups of citizens, such as veterans.

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CANADA'S MAJOR OCCUPATIONAL TRAINING ACTS: 1960 - 1992

In 1960, with the passage of the Technical and Vocational Training Act (TVTA), the federal government made a quantum leap, assuming a major role in occupational training. The TVTA involved the federal government's first tentative attack on economic problems through "manpower" policy. The most noted mandate of the TVTA was to build, through capital grants,the public post secondary education provincial infrastructure, namely colleges and institutes.

With the introduction of the Adult Occupational Training Act (AOTA) of 1967, the federal government assumed the lead role in upgrading and training the adult members of the labour force. The federal government's stated mandate was to train and develop the adult labour force for economic growth and full employment. The adoption of the AOTA provoked controversy with the provinces, as the responsibility for occupational training programs shifted to the federal government. As well, the AOTA was imposed on the provinces without much prior consultation. The AOTA abandoned the TVTA cost sharing formula with the provinces and gave the federal government greatly increased control over various aspects of training including, who had to be trained, in what manner and where. Due to this new federal training act, the longest standing cost sharing federal/provincial grant relationship in the history of Canadian Federalism was abruptly discarded. The power the federal government gained from the passage of the AOTA, and the way in which they gained this control, signalled the beginning of

jurisdictional conflict between the provinces and the federal government which still exists today.(3)

With each successive piece of federal legislation, up to the National Training Act (NTA) of 1982, the federal government pushed its way into controlling the responsibility for the provision of occupational training programs for adults in Canada. With the passage of the NTA, the provinces started to voice concerns for their jurisdictional responsibilities. They questioned the expectation that they were to assume additional costs for training while promoting national objectives. They were concerned that their economic development objectives not be overlooked, and that the education and training system remain responsive to the economic and social needs of each province.(4)

With the introduction of the NTA, the federal government for the first time questioned the provinces public education and training system that they had financed twenty years earlier in particular, the growing institutional training program, formerly called the Canada Manpower Training Program.(5) The NTA authorized the federal government to deal directly with private and non-profit training organizations, which then would signify a reduction in the federal support of the public training institutions.

The criticisms of the provinces' public training institutions continued in the early 1980's. In 1982, the Minister of Employment and Immigration delivered a stinging blow to the provinces when he accused them of providing training "for which

governments know there are no jobs" (6). The provinces responded that the post-secondary system in any province must strike a balance between serving the demands of the labour market and the wishes of its citizens for training in specific occupations. The provinces were severely critical of the Minister's comments and stated that it was quite untrue to suggest that their occupational training programs were irrelevant to employment opportunities. These accusations and "war of words" between federal and provincial bureaucrats continued, and were especially noted at Conferences of Ministers of Employment and Immigration during the 1980's. (7)

A new era in Federal labour market development began in 1985 with the announcement of the Canadian Jobs Strategy (CJS). CJS represented a dramatic departure from previous training acts, (AOTA, NTA) as it explicitly promoted training by the private and voluntary sector. With the introduction of the CJS, the federal government achieved increased control over the delivery agents of training, and therefore reduced its priority in supporting the provincial educational institutions in favour of the private and voluntary sector. A year after CJS was introduced, the federal government announced reductions in the institutional training program (Canada Manpower Training Program). This program allowed for the purchase of "training seats" in vocational programs in public provincial training institutions, under the terms of the federal provincial training agreements. The Federal Government had relied almost exclusively on the institutional training program to purchase its training

seats via the provinces' college and institute system. There was really no alternate delivery system for the federal government training programs, prior to 1985, other than the private training institutions, which enjoyed less than five percent of the federal purchase plan. The number of Canadians enroled in federal government sponsored training programs fell dramatically the year that CJS was introduced.

The following table clearly indicates this consistent decline over the last six years. (8)

84/85	236,000	participants
85/86	201,000	"
86/87	143,000	"
87/88	133,000	"
88/89	126,000	"
89/90	101,000	"

A review of several important Federal Government policy documents (1982-1987) gives a fairly consistent rationale as to why the federal government reduced its commitment to the institutional training program, and thus its support of the provinces' main infrastructure that implemented occupational training programs. The rationale behind the federal government reduction of support to the provinces' infrastructure, namely colleges and institutes, was: (9)

* the provincial education systems were not responsive to changes in Canada's job market, and the programs they funded were not connected to actual workplace skills;

* the largest institutional training program, Basic Training for Skill Development (BTSD) an adult basic education program,

did not produce "trainees" who found employment. Employment and Immigration research and follow up conducted on BTSD trainees over a number of years documented they did not find jobs;

* the federal government wanted to shift its policy to include the private sector as a new training partner so as to introduce an element of competition for the public provincial sector. The federal government thought the provincial public educational institutions were becoming "hidebound and inflexible" and were not responding to the needs of the market place; and

* the institutional training program was becoming too rigid and inflexible especially for training programs in the service sector, where job growth was the greatest.

Certainly, the federal government was on the right track with respect to most of its criticism of the provincial government's public post-secondary training systems. However, the rigidity and inflexible nature of the provinces' programs were ironically caused by the Federal Governments administration of these programs and, more specifically, the strong rigid control exercised by Employment and Immigration Canada (EIC) in the areas of eligibility criteria, length of programs and inflexibility of training plans. (10)

It becomes very clear from analyzing the reports of Federal/Provincial Conferences of Ministers with Manpower Responsibilities (1980, 1982, 1985) that the Provinces had a great deal of concern as to the direction the Federal Government was headed with its institutional training plan.

" What causes us concern in the proposal,as we read it, is the

suggestion that Ottawa wishes to meet the needs of such groups by establishing a group of independent training centers, or institutions, which would parallel our existing infrastructure." (11)

Although these annual conferences were held to provide an opportunity for the provinces and the federal government to arrive at an agreement on mutually desired outcomes from the federal contribution to training, a great deal of the provinces energy went into voicing concern over the increased federal control over occupational training, imposed without prior consultation with the provinces.

Thus, the AOTA (1967) and the NTA (1982) extended the control of the federal government with respect to training. With the introduction of the CJS in 1985, the federal government achieved increased control over the delivery agents, and reduced its commitment to and reliance on provincial adult education systems. The announcement of the Labour Force Development Strategy (LFDS) in 1989, a series of policy and program initiatives to expand and improve training and adjustment programs in Canada, continued with the allocation of a greater proportion of federal training funds to the "private sector" and less to the provincial education systems, namely colleges and institutes. Within the context of the LFDS, the federal government shifted its preference toward an "indirect purchase" of training, favouring the private sector, which was meant to include private training schools, private consultants or contractors, community based organizations and employers. The federal preference was to support third party agents, who actually purchase training on

behalf of clients/learners. A good example is the Canada Industrial Training Councils in Ontario and the Aboriginal Tribal Councils in B.C. who purchase training on behalf of aboriginal people.

Thus, within the policies of the LFDS, the private sector has enjoyed a greater role in the provision of training for employed and unemployed Canadians. The private sector, for the most part is outside the jurisdiction of the provincial education systems, and has caused the provinces to have less control of an increasing segment of the delivery of occupational training programs in Canada. (12)

LEGISLATION AFFECTING ADULT OCCUPATIONAL TRAINING IN CANADA

There is very little written on the legislation (acts, statutes, regulations and amendments to acts) of adult training in Canada. There is even less written on the impact and influence of federal legislation on the provincial educational system and provincially supported occupationally training programs.

Thomas (1989) gives us the most in depth analysis of the federal and provincial legislation affecting occupational training programs for adults in Canada. He sums up the evolution of legislation on adult training as "an increasingly complex web of relationships between the federal government and the provinces, often varying province by province on the strength of separate agreements". (13)

Legislation affecting adult occupational training in Canada is

(9

not easy to understand. The autonomy and complexity of the federal legislation is exacerbated by the relationship of the federal government with each of the provinces. Caught in between all this complexity are the federal/provincial training agreements, which in theory reflect current Federal adult occupational training legislation and are a system for co-ordinating federal and provincial training efforts.

Under the Canadian Constitution, responsibility for education is assigned to the provinces. Provincial and Territorial responsibility for training, varies markedly from one province to another, however, training for employment has been interpreted as a shared responsibility between the Federal and Provincial government. The Federal government is responsible for education in the North West Territories, for native people, those in the armed forces and those in federal penitentiaries.

The following chart is an attempt to put in perspective the various federal and provincial pieces of legislation, concentrating on the last thirty years. Included are the most recent amendments to existing training acts that have significant impact on policy changes relating to the training of adults. One province, British Columbia, has been used as a base in terms of terminology, as each province/territory has different Ministries with different names, and different statutes governing their adult occupational training functions.

The federal legislation governing the occupational training of adults, in the broadest sense, has implications in many government programs. While the key federal department is

(10

Employment and Immigration Canada, other departments play significant roles.

Labour Canada is involved with income maintenance for displaced older workers; the Secretary of State with literacy issues and minority language programs; Health and Welfare Canada with labour market programs for social assistance recipients and Industry, Science and Technology Canada with the delivery of labour market adjustment benefits to certain groups of workers.

As well, the Canada Assistance Plan (federal) and the corresponding Guaranteed Available Income for Need Act (provincial), govern the conditions of training assistance for individuals on social assistance. These federal and provincial acts are significant as the number of social assistance recipients in Canada accessing training programs has steadily increased during the last decade.(14)

The most recent federal training act, the National Training Act (1982), was amended in 1985 (Canadian Jobs Strategy) and extended in 1989, with the Labour Force Development Strategy. The most recent statute to be amended, that is relevant to training was the controversial act to amend the Unemployment Insurance Act (Bill C-21) which was approved by parliament in 1990 but held up in the Senate till 1991.

The NTA, like its predecessors the TVA and the AOTA, establishes a national program to provide occupational training for the labour force and thereby to better meet the needs for skills created by a changing economy. Occupational training is

(11

defined in the Act to mean any instruction other than university instruction, that provides a person with skills for, or improves a persons skills in an occupation. The amended NTA is a broad general document that guides the parameters of occupational training in such areas as: maximum length of courses; regulations for training allowances; payments of tuition agreements with provinces, and agreements with employers.(15) The Act does not spell out in any specific terms the type of occupational training programs that are eligible for assistance; however, the recent amendment to the Unemployment Insurance Act does speak directly to eligibility of specific training programs.

(12

ADULT EDUCATION LEGISLATION IN CANADA

FEDERAL PROVINCIAL

(B.C. as a Base)
Province

British North American Act (1867)

Unemployment Insurance Act (1940)

Several Major Training Acts (1913-1960)

Technical and Vocational Training Act (1960)

Universities Act (1965)

Vocational Rehabilitation of Disabled Persons Act (1961)

Canada Assistance Plan (1966)

Guaranteed Available Income for Need Act (1979)

Federal/Provincial Fiscal Arrangements Act (1967)

College and Institute Act (1977)

Established Programs Financing Act (1967)

Ministry of Labour Act (1979)

Adult Occupational Training Act (1967)

--Adult Occupational Training Agreements with the Provinces--- 1974, 1978, 1982

National Training Act (1982)

Institute of Technology Act (1979)

Canadian Jobs Strategy (1985)

Open Learning Agency Act (1987)

Federal Provincial Training Agreements with the Provinces--- (1985/86)

Labour Force Development Strategy (1989)

University of Northern British Columbia Act

Private Post-Secondary Education Act (1990)

Unemployment Insurance Bill C-21 (1991)

-Agreement on Labour Force Development with the Provinces-(1991)

-Canada/British Columbia Agreement to Enhance the Employability of Social Assistance Recipients (1991)

RELATIONSHIP OF FEDERAL LEGISLATION TO FEDERAL/PROVINCIAL TRAINING AGREEMENTS

The relationship between the federal government and the provinces concerning training has been an old and continuing theme in Canada. Federal/Provincial negotiations over cost sharing and roles and responsibilities of training have been a source of tension, ambiguity and contention. The provinces have been advocating for greater consultation and complementary policies and objectives from the federal contribution to training for many years. They have also been consistent in their concerns for their jurisdictional responsibilities and in particular their role in identifying the training requirements of their own labour markets.

" federal policies and priorities can and do have a profound effect on the provinces' training system. The provincial government is concerned that federal training programs and policies be consistent with and complementary to its own policies and objectives." (16)

Matters respecting the division of powers between the two levels of government have dominated the agenda of federal/provincial meetings of Deputy Ministers/Ministers with responsibility for "Manpower" (prior 1985) "Labour Market" (post 1985).

At the 1988 meeting of the federal/provincial Ministers with responsibility for labour market matters, one of the strongest resolutions was that:

"through bilateral negotiations on federal/provincial/territorial training agreements and multilateral discussions in other forums, the provinces and territories wish to define more clearly Canada's role and responsibilities with respect to occupational skill training." (17)

This important meeting also saw lengthy discussion on cost sharing arrangements for occupational training between the federal,provincial and territorial governments, employers and the private sector. The Ministers agreed that the provinces and territories would examine the need for more inter-provincial training arrangements which enable provinces to share the cost of low demand, high cost training.

A review of the reports of a number of federal/provincial meetings of Deputy Ministers with responsibilities for labour market matters, confirms that there was widespread agreement on the need for more clearly defined roles, responsibilities and financial arrangements for occupational training in Canada. However, there was no clear consensus on how these changes would materialize, particularly in changing the responsibilities for funding occupational training.(18)

Unfortunately, the federal/provincial training agreements of 1978, 1982 and 1985/86 did little to solve the ongoing conflict of fragmented jurisdictions and competing objectives between the provinces and the federal government, which have led to program duplication, poor articulation, competing and overlapping programs, chronic funding problems and inadequate national standards. The federal and provincial governments each hold important responsibilities for training. In theory, the provinces are committed to working with the federal government, to ensure that federal expenditures complement provincial efforts to build a comprehensive training system. In practice, the federal activity has not always been consistent with the particular needs

(15

of the provincial labour market.

The Federal/Provincial Training Agreements signed between the provincial/territorial/federal governments' every three to five years attempt to resolve some of the ambiguities and contentions between the two levels of government. For example, a number of the provinces have been concerned that certain trends which have characterized federal policy in the last few years, such as declining commitment to skills training as an economic investment and an erosion of the established public training infrastructure will, if continued, disrupt the provinces' efforts to build a quality training system. These concerns have been expressed, prior to the negotiation and signing of training agreements, in the form of position papers, which attempt to spell out the concerns and issues to be addressed in the wording of the new training agreements. (19)

Leading up to the negotiations of the 1991 Agreements on Labour Force Development, the Provincial and Territorial Ministers or their designates, responsible for labour market matters, met to develop a statement of principles concerning labour force development by the Federal, Provincial and Territorial Governments. They drafted a statement of principles intended to provide guidelines for co-operation between the federal government and provincial/territorial governments with respect to Canadian labour markets. This statement of principles tried to emphasize the necessity of articulating clearly the complementary role of governments.

" labour force development activities should be organized in ways that respect each government's responsibilities. Particular

(16

efforts will be made to ensure that the activities of governments reinforce and complement rather than duplicate each other." (20)

Uncertainty, friction and resentment between federal/provincial senior bureaucrats, has been closely tied to the negotiations around new training agreements. For instance, in 1985 after the Canadian Jobs Strategy was introduced, there was friction and resentment between the two levels of government due to the announced reduction by the federal government of commitments to the institutional training program.

The 1982 Federal/Provincial training agreements were very clear on the place of public and private training institutions within their training purchase plan.

The 1985/86 Federal/Provincial Agreements abruptly gave much more latitude to the Federal Government, for utilizing non public training institutions, and spelled out very clearly that the federal government was planning to reduce its commitment to public training institutions. In the past, most federal training purchases were made directly to the provinces post-secondary system, colleges and institutes. The 1985/86 Agreements on Training between Canada and the Provinces, introduced a new mechanism, whereby a portion of these funds were to be allocated to third parties, who would then purchase training. Provincial senior bureaucrats were angry and resentful that the federal government chose not to consult or give advance warning on this major policy change that consequently destabilized public training institutions in Canada for a number of years. (21)

Federal/Provincial Training Agreements are usually negotiated

and signed soon after a new federal training act is legislated. For example:

* The National Training Act of 1982 led to the negotiation and signing of the Federal/Provincial Training Agreement of 1982. and

* The Canadian Jobs Strategy of 1985 led to the negotiation and signing of the Federal/Provincial Training Agreement of 1985/86 and

* The Labour Force Development Strategy of 1989 and Bill C 21 (1991) led to the negotiation and signing of the Federal/Provincial Agreements on Labour Force Development that are currently been signed in 1991/92.

The impact of federal legislation on shaping provincial occupational training policy has been largely unanalysed in Canada. (22) Fletcher and Wallace (1985) analysed a number of case studies in the areas of Federal health, housing, social welfare, communications and education and training to see what was the effect of the division of powers between the two levels of government on effective policy making. The analysis of the division of power on education and training policy was inconclusive, as the authors found little research to collaborate their study. The authors concluded that intergovernmental conflicts in education and training have not been addressed effectively and therefore they could not analyse the effects of two levels of government decision making on education and training public policy.(23)

As the federal government has gained more and more control over training, with each successive piece of federal legislation, there has been less funding available to support the provincial educational delivery systems. A recently unnoticed piece of Legislation, Bill C 69, which passed Parliament in 1991, has accelerated funding cutbacks from the Federal Government to the Provinces. Federal money paid to the provinces for occupational training programs will now be reduced each year starting in 1991 to zero in the year 2000.

ANALYSIS OF THE 1989 LABOUR FORCE DEVELOPMENT STRATEGY ON THE 1991 AGREEMENT ON LABOUR FORCE DEVELOPMENT WITH THE PROVINCES

The recently signed agreement on Labour Force Development with the Provinces (1991) reflects policies and priorities of the Labour Force Development Strategy (LFDS). The 1989 LFDS is an extension to the National Training Act of 1982.

The announcement of the LFDS, a series of policy and program initiatives to expand and improve training and adjustment programs, was announced by the federal government in 1989. The primary objective of the LFDS was to ensure that the Canadian labour force of the nineties will be "highly skilled and capable of adapting to an evolving work environment brought on by technological and demographic change".(24)

The LFDS entailed the reallocation of funding from unemployment insurance expenditures to active training measures for the unemployed. At the heart of the strategy was the requirement for all partners in the Canadian economy- governments, business and

labour to work co-operatively to foster a "training ethic" in the workplace. A stated priority was to engage more businesses in the training of their own employees, thus reducing the governments' financial commitment to training the employed worker. A greater priority was given to training programs for social assistance recipients, older workers, co-operative education programs especially targeted at youth, plus a new emphasis on apprenticeship and training programs for unemployment insurance recipients. The LFDS explicitly encouraged the private sector to assume more responsibility for the training of employed and unemployed workers. The private sector in this context was broadly defined to include business, labour and community interest groups.

The federal government embarked on a major consultation around the LFDS, involving business, labour and equity groups. The consultations were extensive, involving over one hundred "stakeholders" on several task forces that met frequently over the period of a year, cumulating with national forums for each of the task forces. The major gap in the composition of the task forces was the lack of any Provincial/Territorial input. The Provinces complained that they had been left out of the consultative process and in particular demanded that the public training institutions regain their central role in training. They voiced concern over the need to retain the multi year funding stability required to remain effective as public training institutions, and they adamantly rejected the federal government policy shift to funding private sector training thus

(20

reducing the commitment to public sector training. The Provinces were particularly concerned about federal funding of training structures that simply duplicate what was being offered by the colleges. The Provinces argued that this limited the funding available to colleges, restricting their capacity to adequately serve their communities, as well as being an inefficient use of public training dollars.(25) Their arguments were ignored, as indicated from the 1991 Agreements on Labour Force Development, which reduced even further, for the next three years, the level of government to government purchase for training.

The most recent Federal/Provincial Training Agreements signed in late 1991 (Agreements on Labour Force Development) reflect very specifically the policies of the LFDS. Agreements between Canada and the Provinces of British Columbia, New Brunswick and Saskatchewan seem to establish a more explicit division of responsibility around the occupational training of adults, than do previous federal provincial training agreements (1982, 1985/86). Previous agreements (1982, 1985/86) highlighted the roles of the Federal Government, what they would do, and how they would spend their money.(26) The new agreements are more reciprocal specifying obligations to be assumed by both levels of government in meeting Canada's growing requirement for a highly skilled labour force.

The 1991 Agreements on Labour Force Development have been analyzed in relationship to financing arrangements, roles and responsibilities of the two levels of government and programs, as

well as their relationship to the LFDS.

FINANCING ARRANGEMENTS

All three agreements (B.C., New Brunswick and Saskatchewan) reflect a decreased level of government to government purchase for training by provincial public sector training institutions. This means that the Federal Government will continue to reduce its direct purchase option with the provinces over the next three years. This reduction in funding to the Provinces will mean less financial support for the Provinces educational infrastructures. All three agreements explicitly suggest that private sector organizations will see an increased role in training.(27)

The LFDS initiated Bill C 21, an act to amend the Unemployment Insurance Act. The bill authorizes the federal government to use 800 million dollars extracted from the UI fund for new labour market training programs. Under the act, UI funds will be used to expand active training, relocation assistance, self employment and re-employment incentives. This UI developmental assistance fund has also been utilized for new labour market programs that are specifically spelled out in the 1991 agreements with the provinces. For example, Bill C 21 will now enable sponsored literacy training for UI claimants. Section 26.1 of Bill C 21 states that the government will pay costs of basic income support, allowances for the care of dependent children, travelling and living away from home while attending courses and programs in basic skills and literacy.(28)

One should be somewhat encouraged by the references in the 1991 Federal/Provincial agreements, that speak to sponsored literacy training for UI claimants. This inclusion of literacy courses, is an important policy initiative. This is a very clear example of a federal training strategy (LFDS)that has been translated into specific program policy at the provincial level.

NATIONAL TRAINING ACT (1982) -- EXTENSION TO LFDS (1989)--
INITIATED CHANGES TO UNEMPLOYMENT INSURANCE ACT (1990)--
TRANSLATED INTO POLICY IN AGREEMENTS WITH THE PROVINCES (1991)--
NEW PROGRAM INITIATIVES AT LOCAL LEVEL (1992)

On a more discouraging note, Bill C 21 has severely limited the flexibility of federal training funds. This bill restricts the use of training funds to individuals who are receiving unemployment insurance. Individuals who are not on unemployment insurance but wish to access one of the LFDS program priorities, such as co-operative education or apprenticeship will have a great deal of difficulty. There is also less funding for training programs, overall, since Bill C 21 was passed. Federal training programs have been funded out of Employment and Immigration's consolidated general revenue budget (CGR), but since the passage of Bill C 21 in 1990, the Unemployment Insurance budget supports twenty percent of the training budget. It is projected that, in 1991, fifty percent of EIC's training budget will come from the Unemployment Insurance fund, and fifty percent from the CGR budget. (29)

Thus Bill C 21 has become a convenient way to reduce EIC's expenditure, and yet support training from an insurance fund that was never meant to support training. It is questionable that the 1991 Agreements with the Provinces will be able to support training programs for those individuals who are not on Unemployment Insurance benefits.

ROLES AND RESPONSIBILITIES

The 1991 agreements state that a more explicit division of responsibility between the two levels of government will be initiated in 91/92. The New Brunswick agreement agrees to examine their respective roles in providing employment counselling and other services to avoid duplication. The British Columbia agreement agrees to identify the respective roles that each party should assume for the training of particular client groups. Saskatchewan speaks more generally about fostering a "development of partnership" between the two levels of government. Although all three agreements specifically speak to the roles of the two levels of government, there is no mention of how or when these discussions will take place.(30) The one improvement that should help clarify both government's roles, is the establishment of a Joint Management Committee with each province. This will allow both levels of government to review each others plans and priorities for labour force training programs, in advance of the government's planning and budgeting process. This should force the issue of overlapping programs and duplication of roles, between the two levels of government.

PROGRAMS

In previous Federal/Provincial Training Agreements, specific reference to types of training programs were not included, only a general reference to occupational training. The 1991 agreements parallel very closely the programs that received priority in the LFDS of 1989; ie., co-operative education, programs for older workers, apprenticeship, and programs for individuals on unemployment insurance. All three agreements mention that they will increase participation in literacy and basic education, language training for immigrants, apprenticeship and co-operative education. The New Brunswick agreement states that they will quadruple co-operative education as a way of dealing with unemployed youth. British Columbia and Saskatchewan will make co-operative education available to more high school students in the vocational stream.

One of the major policies of the LFDS is to develop more programs for older workers displaced by technological change or restructuring in the workplace. The 1991 Federal/Provincial Agreements all make reference to this important LFDS policy. Saskatchewan refers to a task force that will be set up to study new programs for displaced farm workers. New Brunswick refers to specific measures to foster a private sector commitment to human resource development, particularly for older workers. British Columbia agrees to undertake measures to encourage and support employers to assume a greater role in determining the skill requirements for their own workers, especially older workers, in providing the necessary training opportunities for them.

The 1991 Agreements on Labour Force Development (Saskatchewan, British Columbia and New Brunswick) do surprisingly well in reflecting the overall policies of the Federal Labour Force Development Strategy. The notable exception is that there is not enough attention paid to language that will ensure that federal expenditures will complement provincial efforts to build an effective training system.

CONCLUSION

The relationship between the federal government and the provinces in relation to occupational training, has been an old and continuing theme in Canada. Most writers/researchers of Federal/Provincial training policy have been critical of the continued overlap, confusion, and ambiguity around who is responsible, who pays and what legislation governs occupational training programs for adults.(31)

Dupre et.al. summarized in their book "Federalism and Policy Development", written over eighteen years ago, that adult occupational training has "spun a tangled web of relationships, in which the protection of institutions and jurisdictions has played no small part". They concluded that occupational training in Canada needs a master plan, where one level of government should be responsible for all. The reality is, of course, that very little has changed around these jurisdictional issues since Dupre's analysis of 1973 and Canada's training system is still a patchwork system irretrievably beyond the federal government's ability to create cohesion.

It seems that one way of helping to ensure that federal and provincial policies receive the highest priority in terms of co-ordination, would be to establish a permanent federal/provincial Council of Ministers with responsibility for Labour Market Issues. This was discussed at the 1990 meeting of Deputy Ministers with Labour Market Responsibilities in Edmonton, Alberta, but was rejected for a variety of reasons that are not documented. (32)

Consultation processes, such as the negotiations that led up to the signing of the 1991 Agreements, resulted in the development of a co-operative multilateral approach among the Provinces and Territories to training. These Federal/Provincial consultations should go a long way to improving the Federal/ Provincial jurisdictional disputes of the past.

The establishment of the Canadian Labour Force Development Board (CLFDB) in 1991 will also assist in clarifying the federal and provincial role in training. The CLFDB, a multi-partite Board with representatives from business, labour, education and equity groups, is in the process of establishing provincial and local Boards, that will provide regional and local leadership for labour force development.(33) These Provincial Boards have the potential, if given the right mandate by the CLFDB, to co-ordinate and integrate Federal and Provincial policies and programs for labour force development.

There are a variety of opinions as to what the section on labour market training in the Canadian Constitutional document,

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"Shaping Canada's Future Together" means. Although the labour market training section in this document appears to indicate a shift of labour market training exclusively to the provinces, the proposal is somewhat ambiguous, referring only to the "recognition" that labour market training should be under exclusive provincial jurisdiction.

"The Government of Canada, therefore, proposes a constitutional amendment to recognize explicitly that labour market training is an area of exclusive provincial jurisdiction" (34)

As well, the document also states that leadership in the area of skills standards should be exercised jointly by the federal and provincial governments. All of this seems to imply some continued federal responsibility for the occupational training of adults in Canada. There are some contradictions, when one realizes that the federal government is diminishing its support for post-secondary education and, in fact, will cease contributing financially to provincial post-secondary programs before the year 2000.

The training agenda is at the forefront of the federal government's plan to revitalize the economy. Free trade, competitiveness and the economic recession have turned occupational training into a hot topic for all governments across the nation. Two important government publications released in 1991, "Prosperity through Competitiveness" and "Learning Well--Living Well," link a well trained and adaptable workforce to the "building blocks" of Canada's future prosperity. These two documents focus on the link between occupational and skill training and Canada's competitiveness.(35)

With the renewed attention on the training of adults linked to keeping Canadians competitive, as well as the Canada wide consultations on Canada's constitution, now must be the time to resolve once and for all the patchwork quilt approach to supporting adult occupational training in Canada.

The "masterplan" for adult occupational training, where one level of government is responsible for all, is closer to reality than at any other time in Canada's history. There are many questions left unanswered, particularly how a Federal Government who is responsible for overall economic performance can divest itself of all responsibility for labour market training. The long unanswered question of who should have the responsibility for the occupational/labour market training of adults in Canada must reach a resolution. Let's hope that with this round of negotiations around Canada's Constitution we get it right.

END NOTES AND BIBLIOGRAPHY

1. C.E. Philips "The Development of Education in Canada", Toronto: W.J. Gage and Co., 1957. Phillips refers to "practical instruction" in training for occupations of carpentry, masonry, shoemaking, and tailoring before the nineteenth century.

2. J. Stefan Dupre et al. "Federalism and Policy Development: The Case of Adult Occupational Training in Ontario"., Toronto: University of Toronto Press, 1973. The authors make the case that the continued federal role in occupational training is necessary to fulfil the broad economic and social goals of the federal government, see pages 225-238.

3. Employment and Immigration Library, Hull. (vertical files, Adult Education Canada, archive section) A review of these files which includes commentary from the provinces after the act was announced, documents the provinces were very angry that the act was announced before any consultation took place with the provinces.

4. Employment and Immigration Library, Hull. (vertical file Occupational Training Canada 1976-1986,archives section). Documents in this file point to the provinces becoming concerned with the federal role in training which did not include provincial labour market objectives.

5. ibid, Employment and Immigration vertical file, in particular "Lead Statement on Institutional Training" by Honourable D. McArthur, Minister of Education, Saskatchewan; at Conference of Ministers with Manpower Responsibilities, Vancouver, January 11th 1982.

6. Speech by Lloyd Axworthy, Minister of Employment and Immigration, January 5th 1982. in vertical file Adult Education Canada, 1980-1984. Employment and Immigration Library, Archive Section Hull, Quebec.

7. Conference of Ministers with Manpower Responsibilities, 1980, 1982, 1985; Employment and Immigration Library, Archive Section.

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10. see Susan Witter, "Canada's Occupational Training Programs: Three Decades of Deficiencies. Canadian Vocational Association Journal vol. 26 no.4 Spring 1991.

11. Conference of Ministers with Manpower Responsibilities, Ottawa: 1985. "Statement on Institutional Training" page 6.

12. Susan Witter, "Re-thinking the Public Sector Role in Training: A B.C. College Response, unpublished paper delivered at the Canadian Vocational Association Annual Conference, September 1991. Quebec City.
The government to government purchase (direct funding) in B.C. was reduced by 50% from the base year of 85/86. This was the trend in every province across Canada. The term "indirect purchase", a federal government "buzz word" means that the "feds" do not deal directly with the provincial governments, but are free to deal "indirectly" with third party contractors.

13. Alan Thomas, "Legislation and Adult Education in Canada", in International Journal of Lifelong Education. vol.8. no. 2. April-June 1989. pps.103-125.

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15. The National Training Act, Queens Printer. Ottawa. 1985

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